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SUBJECT: MEDIA REACTION: STRATEGIC ECONOMIC DIALOGUE, U.S.

DIPLOMACY, CHINA-EUROPE SUMMIT

Editorial Quotes

11. STRATEGIC ECONOMIC DIALOGUE

"The U.S.-China SED upgraded to premier-level"

The official Xinhua News Agency international news publication International Herald Leader (Guoji Xianqu Daobao)(12/01): "The Japanese media recently reported that the U.S.-China Strategic Economic Dialogue may be being upgraded because it will be held between Biden and Wen Jiabao. The fifth U.S.-China Strategic Economic Dialogue is going to be held in Beijing. This report has aroused international attention concerning whether or not on this dialogue the U.S. and China will agree to upgrade the dialogue system. Japanese media is reporting that the U.S. has suggested that there should be a combination of the two dialogues, the SED and the SD, and an upgrade from the deputy minister level of participants to the premier level of participants. Obama has expressed his support for strengthening this type of senior-level dialogue. Chinese experts indicate that if this happens, these dialogues would become the highest level talks taking place between the U.S. and China. This change shows that the Obama administration emphasizes the U.S.-China relations as an important part of their strategy in north eastern Asia. The possibility that the two dialogues will be combined is very high. To a large extent, it will help the dialogues between the two countries to be a comprehensive and a strategic dialoque."

12. U.S. DIPLOMACY

"Experienced politicians help Obama change"

The official Xinhua News Agency international news publication International Herald Leader (Guoji Xianqu Daobao)(12/01): "When it comes to human resources, Obama tends to use experienced officials, and usually, the most sophisticated ones. It appears that Obama emphasizes experience over change. Most of his candidates are Washington insiders rather than new faces. Analysts suggest that the reason for this is his political need as well as the result of the current U.S. political situation. What's more, Obama is facing difficulties both domestically and abroad. Using experienced officials who are more capable is more helpful when attempting to stabilize the people's morale than using new faces. The personnel arrangement will largely decide the effectiveness of Obama's policy in the future."

¶3. CHINA-EUROPE SUMMIT

"China postpones the summit & shocks Europe"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(12/01): "China's decision to postpone the China-Europe Summit has shocked Europe. China's behavior towards Europe is an unprecedented and tough measure; done in order to

protect China's sovereignty. On the internet, people have overwhelmingly expressed agreement with the government's decision. However, the European media is having different opinions about this behavior. A British expert indicated that under the economic recession, Europe must swallow the bitter fruit that it grabbed for itself and accept the consequences. Chinese foreign ministry spokesperson indicated that, the China-Europe summit will be held when France, the rotating presidency country of the EU, takes practical measures to create the necessary good conditions and environment for the summit. Currently, Sarkozy is the most embarrassing. Other member countries feel angry about the negative influence Sarkozy's personal behavior brings; stating that, he is affecting the whole economic development of the EU."

RANDT